

AMENDED IN SENATE MARCH 18, 2003

SENATE BILL

No. 211

Introduced by Senator Dunn

February 13, 2003

An act to add Article 9 (commencing with Section 1569.880) to Chapter 3.2 of Division 2 of the Health and Safety Code, relating to care facilities.

LEGISLATIVE COUNSEL'S DIGEST

SB 211, as amended, Dunn. Residential care facilities for the elderly: admission agreements.

Existing law provides for the ~~regulation and licensure~~ *licensure and regulation* of residential care facilities for the elderly by the State Department of Social Services, including, among other things, regulation of admissions procedures and agreements. A violation of the provisions relating to residential care facilities for the elderly is a misdemeanor.

This bill would specify requirements for the form and content of admission agreements, as defined, for residential care facilities for the elderly, and would require a facility to conspicuously post a copy of its agreement within the facility. The bill would require the admission agreement to include, among other things, a comprehensive fee schedule, an explanation of 3rd-party services, information relating to residents' rights, and information relating to billing and payment, term of contract, refunds, and termination of the agreement.

This bill would prohibit an admission agreement from including grounds for involuntary transfer or eviction that are inconsistent with state law. The bill would require the admission agreement to be signed and dated by the resident or the resident's representative, and would

require ~~copies of~~ the original agreement and all subsequent modifications to be placed in the resident's file and given to the resident or the resident's representative. The bill would provide that an admission agreement shall be immediately terminated upon the resident's death.

This bill would provide that its requirements are intended to be in addition to, and not exclusive of, any other requirements established by law or regulation with respect to admission agreements for residential care facilities for the elderly.

By creating a new crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. (a) The Legislature finds and declares that it is
2 in the best interest of the residents of residential care facilities for
3 the elderly to ensure that admission agreements used by these
4 facilities do not violate residents' rights.

5 (b) Therefore, it is the intent of the Legislature in enacting this
6 act to establish laws to protect the rights of the residents in
7 residential care facilities for the elderly and to provide the
8 residents with the information necessary to make informed
9 choices regarding admission agreements in these facilities.

10 SEC. 2. Article 9 (commencing with Section 1569.880) is
11 added to Chapter 3.2 of Division 2 of the Health and Safety Code,
12 to read:

13

14 Article 9. Admission Agreements

15

16 1569.880. (a) For purposes of this section, an "admission
17 agreement" includes all documents that a resident or his or her
18 representative must sign at the time of, or as a condition of,



1 admission to a residential care facility for the elderly licensed
2 under this chapter.

3 *(b) The admission agreement shall not include any written*
4 *attachment containing any provision that is prohibited from being*
5 *included in the admission agreement.*

6 1569.881. (a) Every residential care facility for the elderly
7 shall make blank complete copies of its admission agreement
8 immediately available to the public at cost, upon request.

9 (b) Every residential care facility for the elderly shall
10 conspicuously post in a location accessible to the public view
11 within the facility either a complete copy of the admission
12 agreement, or a notice of its availability from the facility.

13 1569.882. (a) The admission agreement shall be printed in
14 black type of not less than 12-point type size, on plain white paper.
15 The print shall appear on one side of the paper only.

16 (b) The admission agreement shall be written in clear,
17 coherent, and unambiguous language, using words with common
18 and everyday meanings. It shall be appropriately divided, and each
19 section shall be appropriately captioned.

20 1569.883. (a) The admission agreement shall not include
21 unlawful waivers of facility liability for the health and safety or
22 personal property of residents.

23 (b) The admission agreement shall not include any provision
24 that the facility knows or should know is deceptive, or unlawful
25 under state or federal law.

26 (c) ~~The admission agreement or attachment to the agreement~~
27 ~~shall not contain~~ *include* any requirement for binding arbitration.
28 No agreement for binding arbitration of claims signed in
29 conjunction with or as part of an admission agreement or as a
30 separate document shall be enforceable.

31 ~~(d) The admission agreement shall include no written~~
32 ~~attachment containing any provision that is prohibited from being~~
33 ~~included in the admission agreement.~~

34 1569.884. The admission agreement shall include all of the
35 following:

36 (a) A comprehensive description of *any items and services*
37 *provided for the basic fee , such as a monthly fee for room, board,*
38 *and other items and services.*

39 (b) A comprehensive description of, and the fee schedule for,
40 all items and services not included in ~~the basic rate for which a~~

1 ~~separate charge is to be assessed. If the initial admission agreement~~
2 ~~does not authorize a separate charge for a particular item or~~
3 ~~service, the facility may at no time assess a separate charge for that~~
4 ~~item or service a single fee.~~ In addition, the agreement shall
5 indicate that the resident shall receive a monthly statement
6 itemizing all separate charges incurred by the resident.

7 (c) An explanation of the use of third-party services, including
8 ~~all health, but not limited to, ancillary, health, and medical~~
9 services, how they may be arranged, accessed, and monitored,
10 whether transportation is available if the services are not provided
11 onsite, any restrictions on third-party services, and who is
12 financially responsible for the third-party services and
13 transportation costs.

14 ~~(d) A description of the facility's policy during a resident's~~
15 ~~temporary absence.~~

16 ~~(e) The term of the contract.~~

17 ~~(f)–~~

18 (d) A comprehensive description of billing and payment
19 policies and procedures.

20 ~~(g)–~~

21 (e) The conditions under which rates may be increased
22 pursuant to Section 1569.655.

23 ~~(h) The resident conditions, health care, or personal care needs~~
24 ~~which cannot be met in the facility.~~

25 ~~(i)–~~

26 (f) The facility's policy concerning family visits and other
27 communication with residents, pursuant to Section 1569.313.

28 ~~(j)–~~

29 (g) The facility's policy concerning refunds.

30 ~~(k)–~~

31 (h) Conditions under which the agreement may be terminated.
32 1569.885. (a) When referring to a resident's obligation to

33 observe facility rules, the admission agreement shall indicate that
34 the rules must be reasonable, and that there is a facility procedure
35 for suggesting changes in the rules. A facility rule shall not violate
36 any right set forth in this article or in other applicable laws and
37 regulations.

38 (b) The admission agreement shall specify that a copy of the
39 facility grievance procedure for resolution of resident complaints

1 about facility practices shall be made available to the resident or
2 his or her representative.

3 (c) The admission agreement shall inform a resident of the right
4 to contact the State Department of Social Services, the long-term
5 care ombudsman, or both, regarding grievances against the
6 facility.

7 (d) A copy of any applicable resident's rights specified by law
8 or regulation shall be an attachment to all admission agreements.

9 1569.886. (a) The admission agreement shall not include any
10 ground for involuntary transfer or eviction of the resident unless
11 those grounds are specifically enumerated under state law *or*
12 *regulations*.

13 (b) The admission agreement shall list the justifications for
14 eviction permissible under state law *or regulations*, exactly as they
15 are worded in the applicable law *or regulations*.

16 (c) The admission agreement shall include an explanation of
17 the resident's right to notice prior to an involuntary transfer,
18 discharge, or eviction, the process by which the resident may
19 appeal the decision and a description of the relocation assistance
20 offered by the facility.

21 1569.887. (a) The admission agreement shall be signed and
22 dated, acknowledging the contents of the document, by the
23 resident or the resident's representative.

24 (b) The licensee shall ~~include a copy of the~~ *retain in the*
25 *resident's file the original signed and dated initial agreement in the*
26 ~~resident's file~~ *and all subsequent modifications*.

27 (c) The licensee shall provide a copy of the signed and dated
28 admission agreement to the resident or the resident's
29 representative, if any.

30 (d) The admission agreement shall be automatically terminated
31 upon the death of the resident.

32 1569.888. (a) The requirements of this article relating to
33 admission agreements for residential care facilities for the elderly
34 are intended to be in addition to, and not exclusive of, any other
35 requirements established by state law or regulation.

36 (b) *These provisions shall not apply to licensees of residential*
37 *care facilities for the elderly that have obtained a certificate of*
38 *authority to offer continuing care contracts, as defined in*
39 *paragraph (5) of subdivision (c) of Section 1771.*

1 SEC. 3. No reimbursement is required by this act pursuant to
2 Section 6 of Article XIII B of the California Constitution because
3 the only costs that may be incurred by a local agency or school
4 district will be incurred because this act creates a new crime or
5 infraction, eliminates a crime or infraction, or changes the penalty
6 for a crime or infraction, within the meaning of Section 17556 of
7 the Government Code, or changes the definition of a crime within
8 the meaning of Section 6 of Article XIII B of the California
9 Constitution.

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